

W. R. Grace & Co. - Conn  
Bank Reconciliations  
December 2001  
MOR-1

	PNC 4002641360		Hibernia Natl Disbursement 101391210		Bank of America Payroll 0000 0002 2137		Allfirst Payroll 16298657		First Union Petty Cash 2040000016900	
Balance per books	\$ 25,000		\$ 10,000		\$ 25,000		\$ 174,349		\$ 32,416	
Bank Balance	\$ 25,000		\$ 9,830		\$ 30,610		\$ 223,217		\$ 46,058	
(+) Deposits in transit					(337)		(15,214)		(6,302)	
(-) Outstanding checks					(5,273)		(33,654)		(7,341)	
Other			170							
Adjusted bank balance	\$ 25,000		\$ 10,000		\$ 25,000		\$ 174,349		\$ 32,416	
Deposits in Transit	Date	Amt	Date	Amt	Date	Amt	Date	Amt	Date	Amt
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
					40820	(337)	4746	(1,823)	12-14-01	(2,333)
							4767	(3,146)	12-17-01	(913)
							4826	(884)	12-19-01	(3,055)
							4827	(1,777)		
							4829	(1,853)		
							4831	(2,693)		
							4835	(322)		
							4836	(2,716)		
Other										
Transfers between bank accounts										
Accounting error						(5,384)				(8,042)
Interest not recorded on books										
Bank fees not recorded on books				170		111				8
Payroll tax payments not recorded										(307)
Unreconciled bank activity										
Unreconciled ledger activity										
Returned item adjustment										
Payroll/other activity in transit								(33,654)		
Petty cash funds										
Unrecorded deposit										1,000

	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco de Credito Time Deposit	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424
Balance per books	(Soles) S/. 25,774	(US\$) \$ 54,027		(Soles) S/. 1,708	(US\$) \$ 620,105
Bank Balance	S/. 25,770	\$ 54,027	\$ -	S/. 1,708	\$ 560,505
(+) Deposits in transit					
(-) Outstanding checks					
Other	S/. 4				59,600
Adjusted bank balance	S/. 25,774	\$ 54,027	\$ -	S/. 1,708	\$ 620,105
Deposits in Transit	Date	Date	Date	Date	Date
Outstanding Checks	Ck. #	Ck. #	Ck. #	Ck. #	Ck. #
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books	4				
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					59,600
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Unrecorded deposit					

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Remedium Group, Inc. Bank Reconciliations December 2001 MOR-1				
	JP Morgan Chase Pass Through 323883842		JP Morgan Chase Disbursement 601831985	
Balance per books	\$ -		\$ (45,250)	
Bank Balance				
(+) Deposits in transit				
(-) Outstanding checks			(110,843)	
Other			65,584	
Adjusted bank balance	\$ -		\$ (45,250)	
Deposits in Transit	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount
				(60)
				(115)
				(87)
				(200)
				(1,378)
				(500)
				(200)
				(400)
				(100)
				(1,500)
				(935)
				(5,129)
				(190)
				(2,013)
				(25,140)
				(1,008)
				(7,967)
				(119)
				(58,051)
				(141)
				(46)
				(817)
				(857)
				(767)
				(732)
				(1,342)
				(1,050)
Other				
Transfers between bank accounts				
Accounting error				6,037
Interest not recorded on books				
Bank fees not recorded on books				45
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				59,511
Returned item adjustment				
Payroll activity in transit				
Petty cash funds				



Darex Puerto Rico, Inc. Bank Reconciliations December 2001 MOR-1		
	Citibank Operating Acct 300153011	
Balance per books	\$ 3,201,886	
Bank Balance	3,345,946	
(+) Deposits in transit		
(-) Outstanding checks	(155,181)	
Other	11,121	
Adjusted bank balance	\$ 3,201,886	
Deposits in Transit	Date	Amt
Outstanding Checks		
	13737	(5,002)
	15355	(22,715)
	15363	(10,308)
	15376	(12,203)
	15378	(186)
	15383	(25)
	15396	(9)
	15397	(32,929)
	15398	(1,250)
	15399	(125)
	15400	(22)
	15401	(62,173)
	15402	(574)
	15403	(1,212)
	15404	(30)
	15405	(45)
	15406	(30)
	15407	(33)
	15408	(706)
	15409	(300)
	15410	(70)
	Payroll cks.	(5,235)
Other		
Transfers between bank accounts		
Accounting error		10
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		(32)
Unreconciled bank activity		11,143
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

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**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L.B. Realty, Inc.
Net sales to third parties	\$ 68,608,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	10,443,104	-	-	-	-	-	-	-	-
Net sales to filing entities	143,725	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,190,966	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(5,130,278)	3,664,716	700,161	19,173	845,233	-	2,602,915	-	-
Other income	671,084	-	-	-	-	-	-	-	-
	75,927,512	3,664,716	700,161	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	43,882,943	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	7,579,991	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	50,572	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	19,067,571	-	(2,948)	-	-	282	-	-	-
Research and development expenses	3,243,478	-	-	-	-	-	-	-	-
Depreciation and amortization	4,368,368	-	2,261	-	-	-	-	-	-
Interest expense	1,489,439	-	-	-	-	-	-	-	-
	79,682,361	-	(687)	-	-	282	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(3,754,849)	3,664,716	700,848	19,173	845,233	(282)	2,602,915	-	-
Chapter 11 reorganization expenses, net	(1,334,460)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	(1,610,396)	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>\$ (6,699,705)</b>	<b>\$3,664,716</b>	<b>\$ 700,848</b>	<b>\$ 19,173</b>	<b>\$ 845,233</b>	<b>\$ (282)</b>	<b>\$2,602,915</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation	Alewite Boston, Ltd.	Five Alewite Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.	Kootenai Development Company
Net sales to third parties	\$ -	\$ 318,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,990,529	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(2,701,919)	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	(711,391)	318,210	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	143,255	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	15,834	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	74,127	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	7,004	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	-	240,220	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(711,391)	77,990	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	(46,304)	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>\$ (757,695)</b>	<b>\$ 77,990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental Inc.	Grace Chemical Company of Cuba	Southern oil, Resin & Fiberglass, Inc.	Guanica- Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food 'N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.	Coalgrace II, Inc.	Gracecoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**January 2002**

	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,927,122
Net sales to non-filing entities	-	-	-	-	-	10,443,104
Net sales to filing entities	-	-	-	(143,725)	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	3,181,495
Interest and royalties from filing entities, net	-	-	-	(0)	-	-
Other income	-	-	-	-	-	671,084
	-	-	-	(143,725)	-	83,222,804
Cost of goods sold to third parties	-	-	-	-	-	44,026,198
Cost of goods sold to non-filing entities	-	-	-	-	-	7,579,991
Cost of goods sold to filing entities	-	-	-	(66,405)	-	-
Selling, general and administrative expenses	-	-	-	-	-	19,139,032
Research and development expenses	-	-	-	-	-	3,243,478
Depreciation and amortization	-	-	-	-	-	4,377,633
Interest expense	-	-	-	-	-	1,489,439
	-	-	-	(66,405)	-	79,855,771
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	(77,320)	-	3,367,033
Chapter 11 reorganization expenses, net	-	-	-	-	-	(1,334,460)
(Provision for) benefit from income taxes	-	-	-	-	-	(1,656,700)
Minority interest in income of subsidiary	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	4,403,701	4,403,701
<b>Net income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (77,320)</b>	<b>\$4,403,701</b>	<b>\$ 4,779,575</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

January 2002

	W.R. Grace & Co. - Conn	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 31,872,669	\$ -	\$ 29,072	\$ -	\$ (1,599,153)	\$ -
Notes and accounts receivable, net	123,153,903	-	131,706	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	265,585,982	(388,431,178)	2,620,838	12,983,854	(27,789,573)	(9,282,873)
Inventories	89,906,931	-	-	-	-	-
Deferred income taxes	18,474,729	-	4,460,134	-	-	-
Asbestos-related insurance expected to be realized within one year	8,836,298	-	-	-	-	-
Other current assets	44,566,881	-	-	-	-	-
<b>Total Current Assets</b>	<b>582,397,393</b>	<b>(388,431,178)</b>	<b>7,241,749</b>	<b>12,983,854</b>	<b>(29,388,726)</b>	<b>(9,282,873)</b>
Properties and equipment, net	380,772,656	-	503,347	-	-	-
Goodwill, net	12,817,502	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	75,656,672	-	-	-	-	-
Deferred income taxes	736,380,750	-	44,101,886	-	-	-
Asbestos-related insurance expected to be realized after one year	283,728,827	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,005,655,294)	758,175,214	119,259,906	4,380,555	188,921,440	-
Investment in filing and non-filing entities	796,841,141	241,512,111	-	-	-	-
Other assets	322,233,632	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,185,173,279</b>	<b>\$ 611,256,147</b>	<b>\$ 171,106,888</b>	<b>\$ 17,364,408</b>	<b>\$ 159,532,714</b>	<b>\$ (9,282,873)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	25,406,070	-	61,624	-	-	-
Income taxes payable	267	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	65,791,689	-	51,221	-	(0)	11,532
<b>Total Current Liabilities</b>	<b>91,198,027</b>	<b>-</b>	<b>112,845</b>	<b>-</b>	<b>(0)</b>	<b>11,532</b>
Debt payable after one year	1,104,866	-	-	-	-	-
Deferred income taxes	220,816,040	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	(0)	-	-	-	-	-
Other liabilities	227,679,620	0	0	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>540,798,553</b>	<b>0</b>	<b>112,845</b>	<b>-</b>	<b>(0)</b>	<b>11,532</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	525,659,630	-	-	-	-	-
Accounts payable	31,101,834	-	658,801	-	-	-
Income taxes payable	174,604,012	15,919,540	873,627	(1,654)	6,208,445	(245,969)
Asbestos-related liability	995,608,353	-	-	-	-	-
Other liabilities	372,128,501	188,091	138,485,969	-	30,671,114	-
<b>Total Liabilities Subject to Compromise</b>	<b>2,099,102,330</b>	<b>16,107,631</b>	<b>140,018,397</b>	<b>(1,654)</b>	<b>36,879,559</b>	<b>(245,969)</b>
<b>Total Liabilities</b>	<b>2,639,900,883</b>	<b>16,107,631</b>	<b>140,131,242</b>	<b>(1,654)</b>	<b>36,879,559</b>	<b>(234,437)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	769,784	12,223	1,000	-	1,000
Paid in capital	142,809,878	429,496,297	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(486,942,201)	301,892,373	21,238,974	(16,687,405)	66,641,578	(9,049,435)
Treasury stock, at cost	-	(137,010,038)	-	-	-	-
Consolidation of Investments	(135,997,842)	-	-	-	-	-
Cumulative Translation Adjustments	(58,566,398)	-	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(454,727,604)</b>	<b>595,148,516</b>	<b>30,975,646</b>	<b>17,366,062</b>	<b>122,653,155</b>	<b>(9,048,435)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 2,185,173,279</b>	<b>\$ 611,256,147</b>	<b>\$ 171,106,888</b>	<b>\$ 17,364,408</b>	<b>\$ 159,532,714</b>	<b>\$ (9,282,873)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 3,471,386	\$ -
Notes and accounts receivable, net	-	71,411	-	-	2,188,347	-
Receivables from/(payables to) filing and non-filing entities, net	(396,308,592)	5,653,572	140,487,055	(67,157,813)	(1,829,519)	(5,013,422)
Inventories	-	(0)	-	-	104,076	-
Deferred income taxes	-	62,408	-	-	17,655	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	2,219	-
<b>Total Current Assets</b>	(396,308,592)	5,787,391	140,487,055	(67,157,813)	3,954,165	(5,013,422)
Properties and equipment, net	-	-	-	-	812,158	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	38,161	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	437,706,439	(3,418,665)	-	(66,880,239)	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	-	176,723	994,523
<b>Total Assets</b>	<b>\$ 41,397,847</b>	<b>\$ 2,460,887</b>	<b>\$ 140,487,055</b>	<b>\$ (75,368,587)</b>	<b>\$ 4,943,045</b>	<b>\$ (4,018,898)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ 10,873	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	0	-	-	116,675	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	337,762	(5,613)	-	48,339	-
<b>Total Current Liabilities</b>	-	348,636	(5,613)	-	165,013	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	141,872	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	348,636	(5,613)	-	306,885	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	19,197	-	-	133,907	-
Income taxes payable	10,932,242	(591,544)	(41,901)	(3,403,994)	373,995	(85)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	178,307	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	10,932,242	(394,040)	(41,901)	(3,403,994)	507,902	(85)
<b>Total Liabilities</b>	10,932,242	(45,404)	(47,514)	(3,403,994)	814,787	(85)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	40,197,489	-	274,606
(Accumulated deficit)/Retained earnings	59,731,903	(419,202)	115,175,576	(30,689,185)	4,127,258	(4,293,619)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	2,924,493	-	(81,473,896)	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	30,465,605	2,506,291	140,534,569	(71,964,593)	4,128,258	(4,018,813)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 41,397,847</b>	<b>\$ 2,460,887</b>	<b>\$ 140,487,055</b>	<b>\$ (75,368,587)</b>	<b>\$ 4,943,045</b>	<b>\$ (4,018,898)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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January 2002

	Alewite Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,455)	-	(57,817,172)	-	-	(1,369)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(2,143,455)	-	(57,817,172)	-	-	(1,369)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ (2,143,455)	\$ -	\$ (23,763,706)	\$ 54,500,000	\$ 54,500,000	\$ 56,010,208
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(85)	-	-	-	-	(280)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(85)	-	-	-	-	(280)
<b>Total Liabilities</b>	(85)	-	-	-	-	(280)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,510,488
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	56,010,488
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ (2,143,455)	\$ -	\$ (23,763,706)	\$ 54,500,000	\$ 54,500,000	\$ 56,010,208

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 36,936	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	(26,718,257)	57,347,191	(7,288,586)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	36,936	(26,718,257)	57,347,191	(7,288,586)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
<b>Total Assets</b>	\$ 1,667,876	\$ (26,718,257)	\$ 57,347,191	\$ (7,288,586)	\$ -	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	551,649	5,000	-	(4,990)	-	-
<b>Total Current Liabilities</b>	551,649	5,000	-	(4,990)	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	551,649	5,000	-	(4,990)	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(104,430)	10,346,794	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	(104,430)	10,346,794	-	-	-
<b>Total Liabilities</b>	551,649	(99,430)	10,346,794	(4,990)	-	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,104,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	11,273	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	1,116,227	(26,618,827)	47,000,396	(7,283,596)	-	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 1,667,876	\$ (26,718,257)	\$ 57,347,191	\$ (7,288,586)	\$ -	\$ -

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,394	(102,989)	(1,118,993)	10,284,384	590	(2,417,464)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	5,824,394	(101,989)	(1,118,993)	10,284,384	590	(2,417,464)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 5,824,394	\$ (7,966)	\$ (1,118,993)	\$ 10,284,384	\$ 590	\$ (2,417,464)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
<b>Total Current Liabilities</b>	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	3	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	(300)	(300)	(200)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	-	-	(300)	(300)	(200)
<b>Total Liabilities</b>	-	-	-	(297)	(300)	(200)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(9,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	5,824,394	(7,966)	(1,118,993)	10,284,682	890	(2,417,264)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 5,824,394	\$ (7,966)	\$ (1,118,993)	\$ 10,284,384	\$ 590	\$ (2,417,464)

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,424)	(3,350,524)	(2,509,739)	950	(1,230,598)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(26,312,455)	(5,132,424)	(3,350,524)	(2,509,739)	950	(1,230,598)
Properties and equipment, net	-	-	-	-	-	1,184,871
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,424)</b>	<b>\$ (3,350,524)</b>	<b>\$ (2,509,739)</b>	<b>\$ 950</b>	<b>\$ (45,727)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(309)	-	(100)	-	(15)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	(309)	-	(100)	-	(15)
<b>Total Liabilities</b>	-	(309)	-	(100)	-	(15)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(45,812)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(45,712)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,424)</b>	<b>\$ (3,350,524)</b>	<b>\$ (2,509,739)</b>	<b>\$ 950</b>	<b>\$ (45,727)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**January 2002**

	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,687	25,045	(72,951)	(12,559,268)	174,205	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	36,708,687	25,045	(72,951)	(12,559,268)	174,205	(19,463,742)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
<b>Total Assets</b>	<b>\$ 42,993,493</b>	<b>\$ 25,045</b>	<b>\$ (72,951)</b>	<b>\$ (12,559,268)</b>	<b>\$ 612,650</b>	<b>\$ (19,459,676)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
<b>Total Current Liabilities</b>	-	-	-	-	199	4,066
Debt payable after one year	-	-	-	-	438,134	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	438,333	4,066
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(449)	-	-	(15)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(449)	-	-	(15)	-	-
<b>Total Liabilities</b>	(449)	-	-	(15)	438,333	4,066
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	25,045	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	42,993,942	25,045	(72,951)	(12,559,253)	174,317	(19,463,742)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 42,993,493</b>	<b>\$ 25,045</b>	<b>\$ (72,951)</b>	<b>\$ (12,559,268)</b>	<b>\$ 612,650</b>	<b>\$ (19,459,676)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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January 2002

	Creative Food N Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,479,808	6,345,586	810,500	(59,581,272)	(25)	(86,611)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	23,479,808	6,345,586	810,500	(59,581,272)	(25)	(86,611)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 23,479,808	\$ 6,345,586	\$ 810,500	\$ (59,581,272)	\$ (25)	\$ (86,611)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(340)	(75)	(100)	(40)	(25)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(340)	(75)	(100)	(40)	(25)	-
<b>Total Liabilities</b>	(340)	(75)	(100)	(40)	(25)	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 23,479,808	\$ 6,345,586	\$ 810,500	\$ (59,581,272)	\$ (25)	\$ (86,611)

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**January 2002**

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,809	4,384,412	(15,750,664)	5,297,099	875,569	(5,054)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>352,712,809</b>	<b>4,384,412</b>	<b>(15,750,664)</b>	<b>5,297,099</b>	<b>875,569</b>	<b>(5,054)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 504,081,896</b>	<b>\$ (9,751,313)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,297,099</b>	<b>\$ 875,569</b>	<b>\$ (5,054)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	(5,310)	-	-	-	-
<b>Total Current Liabilities</b>	-	(5,310)	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	(5,310)	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(9)	-	-	(100)	(100)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(9)	-	-	(100)	(100)	-
<b>Total Liabilities</b>	(9)	(5,310)	-	(100)	(100)	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>504,081,905</b>	<b>(9,746,003)</b>	<b>(15,750,664)</b>	<b>5,297,199</b>	<b>875,669</b>	<b>(5,054)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 504,081,896</b>	<b>\$ (9,751,313)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,297,099</b>	<b>\$ 875,569</b>	<b>\$ (5,054)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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January 2002

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,340	130,478,318	145,501,916	(81,114,723)	47,407,906	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	108,340	130,478,318	145,501,916	(81,114,723)	47,407,906	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 108,340	\$ 130,478,318	\$ 145,501,916	\$ (81,114,723)	\$ 47,407,906	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	(875,000)	(875,000)	-	-	-
<b>Total Current Liabilities</b>	-	(875,000)	(875,000)	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	29,290,346	29,290,346	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	28,415,346	28,415,346	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(100)	874,900	875,000	(90)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(100)	874,900	875,000	(90)	-	-
<b>Total Liabilities</b>	(100)	29,290,246	29,290,346	(90)	-	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 108,340	\$ 130,478,318	\$ 145,501,916	\$ (81,114,723)	\$ 47,407,906	\$ -

## Note #3

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